

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Hobbs, NM 88241

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 Read & Stevens, Inc.

3. ADDRESS OF OPERATOR
 P. O. Box 1518, Roswell, New Mexico 88202-1518

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 730' FWL & 1980' FNL
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 35 SE of Hobbs

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 16. NO. OF ACRES IN LEASE
 1920

17. NO. OF ACRES ASSIGNED TO THIS WELL
 40

13. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 19. PROPOSED DEPTH

20. ROTARY OR CABLE TOOLS

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 22. APPROX. DATE WORK WILL START*
 ASAP

5. LEASE DESIGNATION AND SERIAL NO.
 LC-064194

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 Unocal "8" Federal

9. WELL NO.
 #1

10. FIELD AND POOL, OR WILDCAT
 Wildcat Bone Spring

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Section 8 T20S-R34E

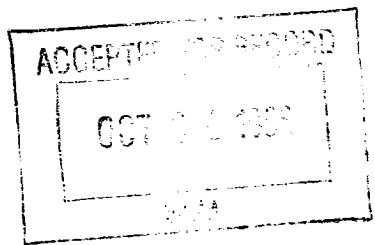
12. COUNTY OR PARISH
 Lea County

13. STATE
 New Mexico

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT

Read & Stevens, Inc. proposes to plug back from existing Atoka perforations 12,532-12,538' w/a CIBP @12,500' w/35' cmt on top. The Bone Spring will then be perforated below 9,300', treated and tested. A 6" 900 series BOP will be used.



Aug 28 11:00 AM '96
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IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED John C. Maxey, Jr. TITLE Petroleum Engineer DATE August 28, 1996
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY _____ TITLE _____ DATE _____
 CONDITIONS OF APPROVAL, IF ANY: